

A G E N D A

JAMES CITY SERVICE AUTHORITY

County Government Center Board Room

November 26, 2002

7:00 P.M.

A. ROLL CALL

B. CONSENT CALENDAR

1. Minutes - October 22, 2002
2. Award of Contract - Water Storage Tank Maintenance
3. Bid Award - First Colony Water and Sanitary Sewer Line Replacement
4. Bid Award - Powhatan Creek Force Main
5. Bid Award - Independent Water Systems Improvement
6. Bid Award - Water Production Facility (W-5) Upgrade

C. BOARD REQUESTS AND DIRECTIVES

D. ADJOURNMENT

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 22ND DAY OF OCTOBER, 2002, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

Bruce C. Goodson, Chairman
Michael J. Brown, Vice Chairman
Jay T. Harrison, Sr.
James G. Kennedy
John J. McGlennon

Sanford B. Wanner, Secretary
Frank M. Morton, III, County Attorney
Larry M. Foster, General Manager

B. WORK SESSION

1. Groundwater Treatment Plant Financing Plan

Mr. Foster introduced David Rose and Courtney Rogers of Davenport & Company LLC, the financial advisors, and provided an overview of the Groundwater Treatment Facility project.

Mr. Rose and Mr. Rogers provided the Board with an overview of the goals and objectives of the financing plan for the Groundwater Treatment Plant.

Mr. Brown inquired about the proposed ratio of debt versus cash to fund the capital projects identified over the next five to fifteen years.

Mr. Goodson inquired about the King William Reservoir Project financing and the capital outlay expected from the County.

Mr. Foster provided the anticipated fiscal costs of the project based on cost per million gallons per day of production capacity of raw water at various withdrawal levels. It was anticipated that the costs of the project would be \$15-20 million per 2 million gallons per day production capacity. The JCSA's share could range from \$30 to 80 million.

The Board, Mr. Rose, and Mr. Rogers discussed current interest rates and borrowing at the low rates, not borrowing, borrowing a portion of the needed funds for the project, and maximizing cash reserves in order to position the Authority for the next capital project.

Mr. Rose and Mr. Rogers provide the Board with financing options that include building cash reserves, borrowing for a portion of the entire the project, amortizing the debt over fifteen years, and paying down the loan prior to the final maturity.

Mr. Foster requested questions, guidance, and direction from the Board.

Mr. Kennedy inquired about the proffered money from developers towards the desalinization project.

Mr. Foster stated that the proffered money is set aside as build-out occurs and the fees are paid.

The Board and staff held a discussion on allocating the proffered money towards a water supply project, anticipated growth models for the development of the recommendations as well as other factors utilized in the development of the recommendations; the potential impacts of water conservation/restrictions on the Authority's revenues was also discussed.

The Board recommended that Davenport & Company LLC, move forward with its recommendation and refinancing, and then bring back an update to the Board at its meeting on November 12, 2002. The recommendation includes funding the entire debt of approximately \$17 million over a 15 year amortization period.

At 4:57 p.m. Mr. Goodson recessed the Board.

Mr. Goodson reconvened the Board at 8:14 p.m.

C. CONSENT CALENDAR

Mr. Goodson pulled Item No. 4, Award of Bid – Lift Station 1-2 from the Consent Calendar for a roll call vote.

Mr. McGlennon made a motion to adopt the remaining items on the Consent Calendar.

The motion passed by a unanimous voice vote.

1. Minutes – July 23, 2002, Regular Meeting
2. Minutes – September 24, 2002, Regular Meeting
3. Amendment to Regulations Governing Utility Services – Water Conservation Plan

Mr. McGlennon made a motion to adopt Item No. 4, Award of Bid – Lift Station 1-2.

On a roll call vote, the vote was: AYE: Harrison, Kennedy, McGlennon, Brown (4) NAY: (0). ABSTAIN: Goodson (1).

RESOLUTION

AWARD OF BID – LIFT STATION 1-2

WHEREAS, the plans and specifications have been advertised and competitively bid for the Lift Station 1-2;
and

WHEREAS, five firms submitted bids, with Qualicon Corporation submitting the low bid of \$1,569,000;
and

WHEREAS, the bid is within budget, funds are available and Qualicon Corporation has been determined capable of performing the work associated with the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service

Authority, James City County, Virginia, awards the contract for the Lift Station 1-2 Expansion to Qualicon Corporation in the amount of \$1,571,500.

D. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon inquired if staff had taken the opportunity to review the three-tier water rate structure and how it impacts larger households.

Mr. Foster provided data to the Board on the three-tier water rate structures' impact and stated that staff has considered alternatives for the rate structure.

The Board and staff held a discussion regarding the possibility of restructuring the water rates, credit for large households, adjustments to the three-tier water rate structure, and communicating with citizens that request special accommodation due to large household sizes.

E. ADJOURNMENT

Mr. Harrison made a motion to adjourn until 7 p.m. on November 26, 2002.

The motion passed by a unanimous voice vote.

Mr. Goodson adjourned the Board at 8:27 p.m.

Sanford B. Wanner
Secretary to the Board

MEMORANDUM

DATE: November 26, 2002

TO: The Board of Directors

FROM: Robert H. Smith, Assistant General Manager, James City Service Authority

SUBJECT: Contract Award - Water Storage Tank Maintenance

A Request for Proposal (RFP) was solicited from qualified and experienced firms to perform maintenance services for James City Service Authority’s (JCSA) water storage tanks. The work under this contract will involve maintenance and repair on twenty-one (21) water storage facilities ranging in size from 5,000 to one million gallons. The tanks under this contract include elevated storage tanks, ground storage tanks, and hydro-pneumatic storage tanks.

Four firms responded to this RFP, of which three were engaged in individual follow-up discussions. Evaluation criteria consisted of expertise relative to the project including past performance, depth of response, firm’s financial responsibility, work schedule, and cost. Superior Industrial Maintenance Company, located in Harrisburg, North Carolina, was deemed to be the first choice. The firm is fully qualified, responsible, and suitable to provide the required services.

The resulting proposed contract from this RFP is for a one year contract from the date of issuance with an option to renew for four additional years, one year at a time after the initial year. A negotiated fee schedule has been agreed upon which will be paid on an annual basis of \$208,148. The fee schedule is as follows:

FY 03	\$ 253,589
FY 04	221,978
FY 05	365,274
FY 06	116,010
FY 07	<u>83,789</u>
TOTAL	<u>\$1,040,740</u>

The cost for the first year (FY 03) of this contract is higher than the budget estimate of \$170,000. Therefore, staff recommends a budget amendment and appropriation of an additional \$40,000 from the JCSA Reserve Fund. Appropriate funds will be programed in future budgets to cover the contract cost in the second (FY 04) through fifth (FY 07) year requirements.

Staff recommends adoption of the attached resolution authorizing award of the Water Storage Tank Maintenance contract to Superior Industrial Maintenance Company and appropriating the additional funds.

Robert H. Smith

CONCUR:

Larry M. Foster

RHS/adw
h20storage.mem

Attachment

RESOLUTION

CONTRACT AWARD - WATER STORAGE TANK MAINTENANCE

WHEREAS, the Request for Proposal has been advertised and evaluated for the Water Storage Tank Maintenance contract; and

WHEREAS, four firms submitted proposals, with Superior Industrial Maintenance Company being determined to be the best qualified and responsive to provide the required services; and

WHEREAS, the proposed budget for the fiscal year beginning July 1, 2002, and ending June 30, 2003, did not contain sufficient funds for the Water Storage Tank Maintenance contract; and

WHEREAS, the Board of Directors adopted said budget on May 14, 2002; and

WHEREAS, a budget amendment and appropriation is proposed for the Water Storage Tank Maintenance contract for an additional \$40,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Water Storage Tank Maintenance contract to Superior Industrial Maintenance Company in the amount of \$208,148 and authorizes the following appropriation to the FY 03 Water Fund Budget:

Revenue:

JCSA Reserve Fund	<u>\$40,000</u>
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Expenditures:

Tank Maintenance	<u>\$40,000</u>
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Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

William C. Porter, Jr.
Deputy Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 26th day of November, 2002.

MEMORANDUM

DATE: November 26, 2002

TO: The Board of Supervisors

FROM: Robert H. Smith, Assistant General Manager, James City Service Authority

SUBJECT: Bid Award - First Colony Water and Sanitary Sewer Line Replacement

The plans and specifications for First Colony Water and Sanitary Sewer Line Replacement were publicly advertised and competitively bid. Seven firms submitted bids ranging from \$2,483,239.25 to \$3,388,886. The results of the bid are as follows:

<u>Firm Name</u>	<u>Bid Amount</u>
Southern Construction, Petersburg, VA	\$2,483,239.25
Basic Construction, Newport News, VA	2,528,344.28
T. A. Sheets, Norfolk, VA	2,699,482.00
Suburban Grading, Norfolk, VA	2,722,044.38
Branscome, Inc., Williamsburg, VA	2,908,896.00
Kevcor, Norfolk, VA	3,246,338.50
J. Sanders, West Point, VA	3,388,886.00

This project provides for the construction of approximately 20,500 LF of 12-, 8-, and 4-inch diameter water main and 15,000 LF of 8-inch diameter gravity sanitary sewer 2,100 LF of 8-inch force main, and 5,000 LF of 2- to 4-inch force main in the First Colony Subdivision. It also includes repairs to portions of the existing gravity sewer lines and replacement/renovation of existing manholes. First Colony’s utility infrastructure is over 30 years old and has a record of significant failures. This work is required to replace deteriorating water and sewer lines.

The low bid submitted by Southern Construction was under the staff engineer’s estimate of \$2,500,000. Funds for this project are included in the James City Service Authority’s FY 03 Capital Improvements Project (CIP).

Staff recommends adoption of the attached resolution authorizing award of the First Colony Water and Sanitary Sewer Line Replacement contract to Southern Construction.

Robert H. Smith

CONCUR:

Larry M. Foster

RHS/adw
firstc.mem

Attachment

RESOLUTION

BID AWARD - FIRST COLONY WATER AND SANITARY SEWER LINE REPLACEMENT

WHEREAS, the plans and specifications were advertised and competitively bid for the First Colony Water and Sanitary Sewer Line Replacement; and

WHEREAS, seven firms submitted bids, with Southern Construction submitting the low bid of \$2,483,239.25.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the First Colony Water and Sanitary Sewer Line Replacement contract to Southern Construction in the amount of \$2,483,239.25.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

William C. Porter, Jr.
Deputy Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 26th day of November, 2002.

firstc.res

MEMORANDUM

DATE: November 26, 2002

TO: The Board of Directors

FROM: Danny W. Poe, P.E., Chief Engineer - Wastewater, James City Service Authority
Larry M. Foster, General Manager, James City Service Authority

SUBJECT: Bid Award - Powhatan Creek Force Main

The plans and specifications for the construction of the James City Service Authority (JCSA) Powhatan Creek Force Main have been publicly advertised and competitively bid. The force main follows the Colonial Pipeline easement and Greensprings Plantation Drive between Lift Station 1-2 and Monticello Avenue Extended. The force main is necessary to accommodate approved development, and to redirect flow to a new Hampton Roads Sanitation District (HRSD) force main located along Monticello Avenue Extended. Six bids were received as follows:

<u>Firm</u>	<u>Amount</u>
J. Sanders Construction	\$548,256.00
T.A. Sheets	553,518.00
George Nice & Sons	651,806.25
Branscome	654,699.60
Basic Construction	671,538.02
Surburban Grading	791,116.00

J. Sanders Construction Company's bid has been determined to be responsive and responsible.

The bid is lower than the staff engineer's final cost estimate of \$850,000, and adequate funds are available for the project.

Staff recommends adoption of the attached resolution authorizing award of the Powhatan Creek Force Main project to J. Sanders Construction Company for the amount of \$548,256.

Danny W. Poe, P.E.

CONCUR:

Larry M. Foster

DWP/LMF/gs
powforcemain.mem

Attachment

RESOLUTION

BID AWARD - POWHATAN CREEK FORCE MAIN

WHEREAS, the plans and specifications for the Powhatan Creek Force Main have been publicly advertised and competitively bid with six firms submitting bids, ranging from \$548,256 to \$791,116; and

WHEREAS, J. Sanders Construction Company, submitted the low bid and has been determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Powhatan Creek Force Main project to J. Sanders Construction Company, for a bid of \$548,256.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

William C. Porter, Jr.
Deputy Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 26th day of November, 2002.

powforcemain.res

MEMORANDUM

DATE: November 26, 2002
TO: The Board of Directors
FROM: Robert H. Smith, Assistant General Manager, James City Service Authority
SUBJECT: Bid Award - Independent Water Systems Improvements

The plans and specifications for the Independent Water Systems Improvements located in Racefield, Glenwood Acres, Kings Village and Ware Creek Manor were publicly advertised and competitively bid. Two firms submitted bids ranging from a low of \$562,000 submitted by M & W Construction of Portsmouth, VA, to a high of \$932,674 submitted by Waco Inc., of Sandston, VA.

This project provides for the construction of new building additions, installation of piping and metering systems, water flush valve systems, disinfection systems, and electrical control systems. Additional work includes modifications to existing storage tanks, installation of a hydro-pneumatic tank, and yard piping.

The low bid submitted by M & W Construction was higher than the Water Engineer's estimate of \$475,000. Funds for this project are included in the James City Service Authority's FY 03 Capital Improvements Project (CIP).

Staff recommends adoption of the attached resolution authorizing award of the Independent Water Systems Improvements contract to M & W Construction.

Robert H. Smith

CONCUR:

Larry M. Foster

RHS/gs
indepwtrsyst.mem

Attachment

RESOLUTION

BID AWARD - INDEPENDENT WATER SYSTEMS IMPROVEMENTS

WHEREAS, the plans and specifications were advertised and competitively bid for the Independent Water Systems Improvements; and

WHEREAS, two firms submitted bids, with M & W Construction of Portsmouth, VA, submitting the low bid of \$562,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Independent Water Systems Improvements contract to M & W Construction in the amount of \$562,000.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

William C. Porter, Jr.
Deputy Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 26th day of November, 2002.

indepwtrsyst.res

MEMORANDUM

DATE: November 26, 2002
 TO: The Board of Directors
 FROM: Robert H. Smith, Assistant General Manager, James City Service Authority
 SUBJECT: Bid Award - Water Production Facility (W-5) Upgrade

The plans and specifications for Water Production Facility (W-5) Upgrade were publicly advertised and competitively bid. The well facility is located at 121-A Queen Mary Court in Ewell Hall. Six firms submitted bids ranging from \$459,000 to \$722,000. All Pro Industries was declared nonresponsive. The results of the bids are as follows:

<u>Firm Name</u>	<u>Bid Amount</u>
All Pro Industries, Norfolk, VA	\$ 459,000.00 (Nonresponsive)
Peters and White, Chesapeake, VA	489,500.00
East Coast Utility, Williamsburg, VA	497,000.00
M & W Construction, Portsmouth, VA	498,250.00
Waco, Inc., Sandston, VA	659,750.00
S. H. Barner, Williamsburg, VA	722,000.00

This project provides for the demolition, removal, and legal disposal of existing 5,000 and 20,000 water tanks; the existing pumps, piping, electrical equipment inside the well facility; and yard piping revisions. Also included is the installation of two new 20,000-gallon ground storage water tanks; installation of new pumps, piping, and electrical equipment inside existing buildings; and proposed building addition.

The low responsive bid submitted by Peters and White was over the Water Engineer's estimate of \$447,000. Funds for this project are available in the James City Service Authority's FY 03 Capital Improvements Project (CIP).

Staff recommends adoption of the attached resolution authorizing award of the Water Production Facility (W-5) Upgrade contract to Peters and White.

 Robert H. Smith

CONCUR:

 Larry M. Foster

RHS/gs
 W-5upgrade.mem

Attachment

RESOLUTION

BID AWARD - WATER PRODUCTION FACILITY (W-5) UPGRADE

WHEREAS, the plans and specifications were advertised and competitively bid for the Water Production Facility (W-5) Upgrade; and

WHEREAS, five responsive firms submitted bids, with Peters and White of Chesapeake, VA, submitting the low bid of \$489,500.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority of James City County, Virginia, hereby awards the Water Production Facility (W-5) Upgrade contract to Peters and White in the amount of \$489,500.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

William C. Porter, Jr.
Deputy Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority of James City County, Virginia, this 26th day of November, 2002.

w-5upgrade.res